

## **REMARKS**

Claims 1-22 are pending in the application.

Claims 1-22 stand rejected.

Claims 1-22 have been amended. No new matter has been added. The amendments to claims 1-4, 6-15, and 17-22, are presented for clarification purposes only; this clarification is not presented for any reason related to patentability. These amendments are not necessary to overcome any of the outstanding rejections. Support for the amendments to claims 1-4, and 12-15 can be found, at least, within paragraph [0027] of the original Specification. Support for the amendments to claims 5 and 16 can be found, at least, within paragraphs [0038]-[0042] of the original Specification.

### ***Double Patenting***

Claims 1-22 stand rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claims 1-33 of copending U.S. Application No. 10/696,371 and claims 1-24 of copending U.S. Application No. 10/696,156. While Applicants do not agree with this rejection, in order to expedite prosecution, appropriate terminal disclaimers accompany this response. Accordingly, Applicants respectfully submit that this rejection has been overcome.

### ***Rejection of Claims under 35 U.S.C. §112***

Claims 5-11 and 16-22 stand rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention. Applicants have amended independent claims 5 and 16, and respectfully submit that this rejection has been overcome.

*Rejection of Claims under 35 U.S.C. §101*

Claims 1-11 stand rejected under 35 U.S.C. § 101. Based on Supreme Court precedent, and recent Federal Circuit decisions, a § 101 process must (1) be tied to a specific machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. Applicants respectfully traverse this rejection because claims 1-11 transform underlying subject matter, namely data. Applicants respectfully submit that claim 1 satisfies the machine-or-transformation test governing patent eligibility under § 101 because claim 1 takes data and transforms the data and the transformation of the data is not a mere extra-solution activity.

Noted within *In re Bilski* as an example of patentable subject matter is *Abele*, 684 F.2d 902, 907, 214 USPQ 682, 687 (CCPA 1982). With respect to *Abele*, the CAFC noted that “[w]e further note for clarity that the electronic transformation of the data itself into a visual depiction in *Abele* was sufficient; the claim was not required to involve any transformation of the underlying physical object that the data represented.” *In re Bilski* (emphasis added). Applicants submit that the claimed transformation of data from a source format into an intermediate format is analogous to the transformation of data in *Abele*.

Claim 1 recites a method that first extracts inventory balance information. The inventory balance information is then converted from a source format into an intermediate format. Thus, as in *Abele*, data is electronically transformed.

Further, the transformation of data in claim 1 is not mere extra-solution activity because the transformation is central to the claim. This is to say that if the transformation from a source format into an intermediate format were not performed, the claim would obviously lose its meaning.

Thus, Applicants submit that claim 1 satisfies the machine-or-transformation test determining patent eligibility of a process under § 101, and that this rejection is overcome. Applicants respectfully request the Examiner’s reconsideration and withdrawal of the rejection of claims 1-11 on this basis.

*Rejection of Claims under 35 U.S.C. §102*

Claims 1-22 stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Publication No. 2002/0178077, by Katz. Applicants respectfully traverse these rejections on the grounds that Katz does not disclose all elements of the claimed invention.

Independent claims 1 and 9 contain elements of substantially the following form:

extracting inventory balance information in a source format that is associated with a source computerized inventory management system;  
converting the inventory balance information in the source format into inventory balance information that is in an intermediate format; and converting the inventory balance information in the intermediate format into inventory balance information in a target format that corresponds to a target computerized inventory management system.

*See, e.g.,* claim 1 (emphasis added). Katz fails to disclose each and every one of the claim elements of the independent claims, including: (1) extracted inventory balance information in a first form; (2) conversion of inventory balance information into an intermediate form; and (3) conversion of intermediate form data into a target form. A rejection based upon anticipation by a single prior art reference requires that the cited art must contain every single element of the claimed invention, and Katz fails to meet this requirement.

The Office Action rejection is based upon one overarching, simplistic argument: that Katz transforms information from one form to another form, and that such transformation somehow anticipates the claimed conversions. *See* Office Action, pp.6-7. This argument ignores numerous elements of the claimed invention, among them the claimed invention's use of two distinct conversions of information. The first conversion is from source inventory balance information into an intermediate form. The second conversion is from the intermediate form into a target form. Both of these conversion elements are claimed and both must be disclosed by Katz in order to support a rejection based on anticipation. Applicants submit that because Katz performs only a single transformation and because Katz's transformation is not comparable to the claimed two conversions, there can be no way that Katz can be said to anticipate the claimed conversions, or to teach (or even contemplate) anything even remotely comparable to the claimed intermediate form, for that matter. Moreover, these distinctions need not even take into

consideration the fact that Katz's transformation is not comparable to either of the claimed conversions.

Katz is directed to a system "that enables suppliers and procurement professionals to leverage enterprise and marketplace data in order to potentially improve decision-making in business enterprises." Katz, Abstract. Katz's system integrates various types of data and transforms the data into a form compatible with Katz's Value Chain Intelligence (VCI) system. *See Katz, ¶¶ [0012]-[0013], [0042], [0190], and [0054].* This transformative ability in Katz is the basis of the position taken by the Office Action. *See Office Action, pp.6-7.* The disclosure in the cited sections of Katz of a single transformation of data into a form suitable for Katz's VCI system does not anticipate the claimed invention, at the very least because such a transformation is a single transformation, not two. In addition, the single transformation in Katz fails to anticipate either of the claimed conversions because, as will be shown, the single transformation in Katz does not involve anything analogous to the claimed intermediate form, and the intermediate form is necessary to both of the conversions of the independent claims.

The cited sections of Katz do not disclose the two claimed conversions: a conversion from a source format into an intermediate form and a conversion from the intermediate format into a target format. Katz only discloses a single transformation: from data not compatible with the VCI system into data compatible with the VCI system. *See Katz, ¶ [0190].* Even if the transformation in Katz were somehow comparable to the claimed conversions (a point which Applicants do not concede), the cited sections of Katz present one system, the Value Chain Intelligence system, and the cited sections of Katz are only concerned with bringing data into this system. Because there is only one system in Katz's approach there is only one transformation disclosed: from data outside the VCI system into data within the VCI system. Further, because there is only one system in Katz, only one such transformation is even needed to bring incompatible data into the VCI system. The cited sections of Katz do not teach or contemplate any other transformations of data that might be made in the process of bringing data into the VCI system, and so Katz could never show, teach, or contemplate anything even remotely comparable to the two claimed conversions.

Thus, the two distinct conversions recited in the claims are not taught (or even contemplated) by Katz. Further, as noted, given that Katz fails to show, teach or suggest a second conversion of information, it follows that there can not be an intermediate form on which such a second conversion could be based. Thus, the intermediate form of inventory balance information claimed in the invention is also not taught or contemplated within Katz.

For at least these reasons, Applicants submit that Katz does not provide disclosure of all the limitations of independent claims 1 and 9, and dependent claims 2-8 and 10-24, and that these claims are in condition for allowance. Applicants therefore respectfully request the Examiner's reconsideration and withdrawal of the final rejections to these claims and an indication of the allowability of same.

**CONCLUSION**

In view of the amendments and remarks set forth herein, the application is believed to be in condition for allowance and a notice to that effect is solicited. Nonetheless, should any issues remain that might be subject to resolution through a telephonic interview, the Examiner is invited to telephone the undersigned at 512-439-5084.

If any extensions of time under 37 C.F.R. § 1.136(a) are required in order for this submission to be considered timely, Applicants hereby petition for such extensions. Applicants also hereby authorize that any fees due for such extensions or any other fee associated with this submission, as specified in 37 C.F.R. § 1.16 or § 1.17, be charged to deposit account 502306.

Respectfully submitted,



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